# CENTRAL INTELLIGENCE AGENCY





# THE SITUATION IN SOUTH VIETNAM

(Information as of 1200 EST)

JCS, DOS review completed with no further redactions.

11 Sept 1963

PREPARED FOR THE EXECUTIVE COMMITTEE OF THE NATIONAL SECURITY COUNCIL.

FURTHER DISSEMINATION OF INFORMATION CONTAINED HEREIN IS NOT AUTHORIZED.

25X1

Approved For Release 2004/03/11 : CIA-RDP79T00429A001400060001-5

11 September 1963

#### THE SITUATION IN SOUTH VIETNAM

(Information as of 1200 EDT)

#### SUMMARY

An assessment by Ambassador Lodge concludes that the Diem regime is going under, and that the US should take speedy action to dissociate itself and use whatever sanctions are available to bring about Diem's replacement without affecting the war effort.

The US Country Team in Saigon, however, was unable to agree on a unified assessment of the situation. Our Station Chief and a MACV representative dissented on grounds that the summary of the prevailing situation was overgeneralized. General Weede feels the existing situation still permits progress in the war, and the Station Chief feels direct action aimed at the regime will cast the US in the role of a colonial power.

A senior CIA official visitng Saigon feels that in view of the overcharged atmoshpere in Saigon it would be best to restore a normal relationship with the regime, to buy time for whatever actions may be found necessary in more dispassionate appraisal.

The regime is compiling detailed information on its opposition, and is warning military officers against any more contact than necessary with US officers.

The English-language <u>Times of Vietnam</u> today charged "certain official <u>circles" in Washington</u> with planning an anti-Diem "maquis" in Central Vietnam.

Madame Nhu may continue from Belgrade to Rome in an attempt to see the Pope. Archbishop Thuc, having failed to gain an audience, has already left Rome en route to the US.

Security forces in Saigon appear to have checked student agitation, at least temporarily.

Viet Cong activity has stepped up in the delta, but it is too early to attach any special significance or establish a pattern.

11 September 1963

#### I. ASSESSMENTS

1. Ambassador Lodge estimates that the situation is worsening daily, and that the Diem "ship of state is slowly sinking." He feels that the time has come for the US to dissociate itself from the regime and to use what sanctions we have to bring about its fall and installation of a successor. He believes that the disaffection evident in the cities cannot help but spread widely through the military and affect the war effort.

The ambassador feels that aid to the Diem regime should be suspended, and recommends that Washington should decide the best procedure for doing this without impeding the war effort. He recommends that US dependents be evacuated, and that a quiet program be undertaken to keep the Vietnamese Army supplied.

Lodge feels speedy US action is essential because the situation may rapidly get out of hand to the extent that only the Communists would be in a position to act.

2. A Country Team meeting on 10 September was unable to come up with a unified assessment of the situation for transmission to Washington. The Station Chief and Maj. Gen. Weede (MACV) were in minority dissent against what they felt was a dangerous tendency for generalized indictments of the regime's weaknesses and failings.

The Station Chief points out that a large part of the US civilian mission in Saigon is strongly and emotionally opposed to the regime—as are US press representatives there—while most of the US military in Vietnam feel we can still make progress in the war as things are.

The Station Chief argues that if the US is forced to show its hand in action aimed at the Diem regime, we risk assuming the appearance of a colonial power, as did France, with resultant major advantages to the enemy.

3. A Senior CIA Headquarters officer now in Saigon takes note of the emotional atmosphere in Saigon

and advises against hasty action. He recommends bringing about a modus vivendi with the Diem regime, in order to buy time for establishing a solid capability in case appraisal in a more dispassionate climate of opinion concludes that overthrow of the regime is essential.

He feels that any hasty or inconclusive measures against the Diem regime at present would only further divide South Vietnam, diffusing the war effort and making the country increasingly vulnerable to Communist machinations.

#### II. THE REGIME

25X1

Saigon now is also asking provincial authorities for statistics on students who have violated the law.

2. The Diem regime continues on guard against foreign influence among the Vietnamese military. The Vietnamese Joint General Staff has sent notices to all senior military officers warning of possible approaches from foreign agents, and directing that any such approaches be reported. Complying officers are to be rewarded

25X1

25X1

orders have been given to air force officers to have as little contact as possible with American military advisers. US field reports indicate general reserve toward Americans on the part of Vietnamese officers in all branches since the crisis.

3. Madame Nhu, while in Beirut on 10-11 September, remained incommunicado in her hotel room. The Italian Foreign Ministry says that according to the Italian ambassador in Saigon, Madame Nhu may come to Rome to see the Pope after attending the IPU meeting in Belgrade. Ambassador Reinhardt is trying to contact appropriate Vatican officials to seek Vatican information and views on the Vietnamese problem.

Archbishop Thuc

25X1

left Rome today for the United States without having had an audience with the Pope.

4. Security forces in Saigon appear to have student demonstrations under control, at least for the moment. The number of students still under detention is not known, but most of those arrested probably have been released to the custody of their

II-1

Approved For Release 2004/03/11 : CIA-RDP79T00429A001400060001-5

25X1

25X1

25X1

25X1

parents. Ambassador Lodge comments that the exaggerated rumors circulating in Saigon-to the effect that students are being beaten and tortured-are indicative of the public's readiness to think the worst of the government and police.

Government charges of Communist provocation behind the student unrest remain unsubstantiated, although the student movement has been a prime Communist target, and there has undoubtedly been some infiltration.

The US consul in Hué reports some student agitation in the northern city as of 10 September, but apparently no arrests as yet.

5. The English-language Times of Vietnam charged today that anti-Diem exile leader Nguyen Ton Hoan in Washington is working with "certain American official circles" on plans to overthrow Diem. The Times says the plans call for establishing a guerrilla force composed largely of military deserters in Central Vietnam to oppose the regime.

## III. OPPOSITION

1. Diem's chief Buddhist critic, Tri Quang, now in asylum in the US Embassy, told US officials today that he had made up his mind well before the 8 May incident in Hué to carry out an anti-Diem campaign. Tri Quang said he had been looking for an opportunity to launch his campaign and had found it in government restrictions against flying the Buddhist flag, the immediate cause of the Hué incident.

## IV. MILITARY SITUATION

1. Viet Cong activity in the IV Corps area south of Saigon has picked up in the past few days, but it is not yet possible to attach any special significance. There have been at least three major engagements between ARVN forces and Viet Cong regulars since Monday.

On 9 September government forces using armored carriers successfully attacked a Viet Cong concentration southeast of Saigon. Yesterday two district capitals near the tip of Ca Mau Peninsula were overrun by two Viet Cong units, reportedly of battalion size. Official reporting is lacking on the casualties involved, but government reinforcements including marine and airborne elements have regained the towns.

25X1

## TOP SECRET Approved For Release 2004/03/11 : CIA-RDP79T00429A001400060001-5